

State of Alaska FY2011 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Energy Authority Rural Energy Operations Component Budget Summary

Component: Alaska Energy Authority Rural Energy Operations

Contribution to Department's Mission

Assist in the development of safe, reliable and efficient energy systems throughout Alaska, which are sustainable and environmentally sound, and reduce the cost of energy in rural Alaska.

Major Activities to Advance Strategies

- | | |
|---|---|
| <ul style="list-style-type: none"> • Issue/administer contracts and loans. • Coordinate with communities and other government agencies. • Develop business plans. • Apply for grant funds. • Provide technical assistance. | <ul style="list-style-type: none"> • Perform energy audits. • Project management. • Recruitment of eligible trainees. • Development of site-specific training curriculum. • Develop/expand curriculum for powerhouse training. |
|---|---|

Key Component Challenges

Scheduling and managing Bulk Fuel and Rural Power System Upgrade projects (requested by the Denali Commission) with an unpredictable capital funding stream.

Providing training in an environment of high staff turnover (in bulk fuel and utility clerk job classes) and last-minute cancellations by training participants, which makes it difficult for AEA to fill available training slots.

The escalating per unit cost of fuel has increased annual demand on the Bulk Fuel Revolving Loan Fund (BFRLF).

Significant Changes in Results to be Delivered in FY2011

Technical change to align AIDEA staff funding sources with capital funded AEA projects.

Major Component Accomplishments in 2009

AEA administered training programs for 25 bulk fuel operators, 13 itinerant bulk fuel operators, 16 power plant operators, eight advanced power plant operators, six hydro power plant operators, nine utility clerks, eight bulk fuel bookkeepers/managers, 11 electric utility bookkeepers/managers.

As of 10/31/2009 there were 69 Bulk Fuel Loans Outstanding that were originally disbursed or released in either FY08 or FY09, for a total of \$14,885,331.32. Additionally there are 20 loans in FY10 that have been disbursed or released for a total of \$4,910,578.60. We also have four new requests that have come in during FY10 that are not to the point of commitment in the amount of \$662,228.70.

AEA completed five bulk fuel system upgrades and six rural power system upgrades.

Statutory and Regulatory Authority

AS 42.45	Rural and Statewide Energy Programs
3 AAC 106	Loan Programs
3 AAC 107	Grant Programs
3 AAC 160	Rural Development Assistance and Bulk Fuel Storage Facility Grant Programs

Contact Information

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Alaska Energy Authority Rural Energy Operations Component Financial Summary

All dollars shown in thousands

	FY2009 Actuals	FY2010 Management Plan	FY2011 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	180.1	139.5	139.5
73000 Services	4,080.9	2,886.6	5,294.0
74000 Commodities	65.2	48.0	48.0
75000 Capital Outlay	33.4	10.0	10.0
77000 Grants, Benefits	0.0	100.0	100.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	4,359.6	3,184.1	5,591.5
Funding Sources:			
1002 Federal Receipts	33.7	530.0	530.0
1004 General Fund Receipts	267.5	187.6	280.9
1007 Inter-Agency Receipts	273.3	0.0	0.0
1061 Capital Improvement Project Receipts	2,670.2	1,262.8	3,576.9
1062 Power Project Loan Fund	1,000.0	1,000.0	1,000.0
1074 Bulk Fuel Revolving Loan Fund	53.7	53.7	53.7
1108 Statutory Designated Program Receipts	61.2	150.0	150.0
Funding Totals	4,359.6	3,184.1	5,591.5

**Summary of Component Budget Changes
From FY2010 Management Plan to FY2011 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	187.6	530.0	2,466.5	3,184.1
Adjustments which will continue current level of service:				
-AEA funded AIDEA Health Insurance Cost Increase Non-Covered Employees	93.3	0.0	0.0	93.3
Proposed budget increases:				
-Additional CIP for budgeted RSA to AIDEA for personal services	0.0	0.0	2,314.1	2,314.1
FY2011 Governor	280.9	530.0	4,780.6	5,591.5

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Rural Energy Operations (2600)

RDU: Alaska Energy Authority (453)

	FY2009 Actuals	FY2010 Conference Committee	FY2010 Authorized	FY2010 Management Plan	FY2011 Governor	FY2010 Management Plan vs FY2011 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	180.1	139.5	139.5	139.5	139.5	0.0	0.0%
73000 Services	4,080.9	2,886.6	2,886.6	2,886.6	5,294.0	2,407.4	83.4%
74000 Commodities	65.2	48.0	48.0	48.0	48.0	0.0	0.0%
75000 Capital Outlay	33.4	10.0	10.0	10.0	10.0	0.0	0.0%
77000 Grants, Benefits	0.0	100.0	100.0	100.0	100.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	4,359.6	3,184.1	3,184.1	3,184.1	5,591.5	2,407.4	75.6%
Fund Sources:							
1002 Fed Rcpts	33.7	530.0	530.0	530.0	530.0	0.0	0.0%
1004 Gen Fund	267.5	187.6	187.6	187.6	280.9	93.3	49.7%
1007 I/A Rcpts	273.3	0.0	0.0	0.0	0.0	0.0	0.0%
1061 CIP Rcpts	2,670.2	1,262.8	1,262.8	1,262.8	3,576.9	2,314.1	183.3%
1062 Power Proj	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	0.0	0.0%
1074 Bulk Fuel	53.7	53.7	53.7	53.7	53.7	0.0	0.0%
1108 Stat Desig	61.2	150.0	150.0	150.0	150.0	0.0	0.0%
General Funds	267.5	187.6	187.6	187.6	280.9	93.3	49.7%
Federal Funds	33.7	530.0	530.0	530.0	530.0	0.0	0.0%
Other Funds	4,058.4	2,466.5	2,466.5	2,466.5	4,780.6	2,314.1	93.8%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Rural Energy Operations (2600)

RDU: Alaska Energy Authority (453)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions PFT	PPT	NP
***** Changes From FY2010 Conference Committee To FY2010 Authorized *****												
FY2010 Conference Committee												
ConfCom		3,184.1	0.0	139.5	2,886.6	48.0	10.0	100.0	0.0	0	0	0
1002 Fed Rcpts		530.0										
1004 Gen Fund		187.6										
1061 CIP Rcpts		1,262.8										
1062 Power Proj		1,000.0										
1074 Bulk Fuel		53.7										
1108 Stat Desig		150.0										
Subtotal		3,184.1	0.0	139.5	2,886.6	48.0	10.0	100.0	0.0	0	0	0
***** Changes From FY2010 Authorized To FY2010 Management Plan *****												
Subtotal		3,184.1	0.0	139.5	2,886.6	48.0	10.0	100.0	0.0	0	0	0
***** Changes From FY2010 Management Plan To FY2011 Governor *****												
Additional CIP for budgeted RSA to AIDEA for personal services												
Inc		2,314.1	0.0	0.0	2,314.1	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		2,314.1										
This technical adjustment to the budget establishes CIP Receipt authority to pay position costs to AIDEA, and aligns the budget with actual work and expenditures in lieu of unbudgeted RSA's. This corrects historical position budgeting issues (\$1,745.7) and provides authority for six positions (\$568.4) authorized in management plan that are funded with AEA energy capital projects and renewable energy capital projects.												
AEA funded AIDEA Health Insurance Cost Increase Non-Covered Employees												
SalAdj		93.3	0.0	0.0	93.3	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		93.3										
Costs associated with AIDEA Operations for AEA personnel non-covered health insurance Increases: \$93.3												
Totals		5,591.5	0.0	139.5	5,294.0	48.0	10.0	100.0	0.0	0	0	0